(US $ Million)

	2001-02	2002-03 (P)
Export	951.95	1961.11
%age growth	+14.87	+106.01
Import	2036.39	2782.50
%age growth	+36.44	+36.64
Ratio of Imports to Exports	2.14	1.42

(Source : DGCI&S)

(P)-Provisional

(c) Sectors which are likely to show better performance in the years to come include ores, cotton yarn fabrics, plastics, organic chemicals, stone (granite, marbles, etc.) precious stones, fish and seafood, iron and steel, hides and skins inorganic chemicals, etc.

DEPB Scheme

2715. SHRI DARA SINGH CHAUHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of cases where DGFT has treated bank guarantees on par with letter of credit for extending benefits under the DEPB Scheme during the last three years;

(b) the number of cases alongwith the respective reasons where the request for benefits under DEPB were turned down on the grounds that bank guarantees cannot be treated at par with letter of credit;

(c) whether DGFT is aware that bank guarantees are the acceptable form for trade internationally in several countries; and

(d) the reasons for DGFT not keeping up with the international trade practices?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) and (b) Nil.

(c) and (d) The issue of accepting bank guarantee to permit grant of transferable DEPB was examined by DGFT in consultation with RBI. RBI

has clarified that a bank guarantee is issued by a banker in favour of a beneficiary for the performance of certain acts by the customer of the bank in the form of performance guarantee or a financial guarantee is general in nature and cannot replace letter of credit. A letter of credit is always trade related and opened by the buyer for goods favouring seller indicating terms of contract fulfilment which enables the seller to receive payment from the bank in his country without waiting for the payment by the buyer. In view of this, it was decided not to accept bank guarantee for issuing transferable DEPB without realization of export proceeds.

Trade with Russia, US, China and UK

†2716. PROF. M.M. AGARWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the acutal status of Indo-Russia, Indo-US, Sino-India, Indo-UK trade during the last three years;

(b) whether any concrete steps are proposed to be taken for improvement in the trade with these countries; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) The details of India's exports, imports and trade balance with Russia, US, China and UK during the last three years are given in the Statement enclosed (*See* below)

(b) and (c) Trade promotion through the medium of Government and industry level interaction like Joint Commission meetings, exchange of sectoral business delegations, participation in trade fairs, organization of seminars and road shows in these countries is a continuous process. Efforts are made to identify products with good export potential, to break into new areas, to explore untapped potentials and focusing on identified fast growing areas. Based on the strategies contained in the Medium Term Export Strategy 2002—07, announced in January, 2002, a number of programmes/schemes have been launched through the Union Budget, 2003-04 and Exim Policy, 2003-04. In the Exim Policy, 2003-04, besides the focus on Service exports, policies have been devised to strengthen Special Economic Zones (SEZs), 100% Export Oriented Units (EOU's),

†Original notice of the question was received in Hindi.